SUMMARY OF FINANCE TOOLS TO SUPPORT THE 2002 BOULDER TRANSPORTATION MASTER PLAN UPDATE

TMP UPDATE Transportation Master Plan

FEDERAL, STATE AND COUNTY

NAME	DESCRIPTION	APPLICABILITY TO 2002 TRANSPO. MASTER PLAN UPDATE	INCIDENCE & EQUITY CONSIDERATIONS	LEGAL & ADMINISTRATION CONSIDERATIONS	APPLIED ELSEWHERE	BENEFITS & LIMITATIONS	QUANTIFICATION
(Federal/State) **1. Transportation Equity Act for the 21st Century (TEA-21)** **TEA-21 /CDOT Surface Treatment Program** *(USC Title 49, Section 1108)*	Under TEA-21, the Colorado Department of Transportation (CDOT) receives formula-based funds for roads, bridges and safety improvements match these revenues on a 80/20 (federal/state) basis. CDOT must divide 50% of these funds (after set-asides for safety and enhancements) by population between areas of 200,000 or more and the remainder of the state. For the remainder of STP funds, CDOT establishes expenditure targets (fiscal constraints) for each transportation region. Within each transportation region, project priorities are established through a process that involves CDOT, and the Metropolitan Planning Organizations, such as the Denver Regional Council of Governments (DRCOG). Projects are compiled into the Statewide Transportation Improvement Program (STIP).	CDOT uses a portion of these funds for priority state highway improvements. Another portion, "small urban projects" funds, is distributed to metropolitan planning organization (MPO) for further distribution by project. For Boulder, the MPO is the Denver Regional Council of Governments (DRCOG). Boulder competes with other jurisdictions to get projects it wants on the DRCOG Transportation Improvement Plan (TIP), which then goes into the State Transportation Plan (STIP). Ten percent of the Surface Treatment Program funds are earmarked for "transportation enhancements." (See below.)	Federal funding for this and other TEA-21 projects is primarily from the federal motor fuel tax; $0.18.4 per gallon of gasoline and $0.244 per gallon of diesel. Federal and state funds are used to finance these projects. No local participation is required for projects sponsored by CDOT; some local participation, typically less than 15%, is often required for projects prioritized by DRCOG if they are to receive approval for inclusion in the TIP and STIP.	TEA-21 has authorized funding for a six-year period (FY 1998 through FY 2003). Funds that are allocated to each State and metropolitan planning organizations are set by federal funding formula.	This is a national program with a formula-driven allocation among States.	+ When CDOT sponsors a project, only federal and state funds are used. When a project is funded through DRCOG, then there is a small local government match that typically ranges between 7% and 15%. + The volume of funding to the State and the Denver metropolitan region is predictable for the duration of TEA-21. 2 Limited range of eligible project. – Future federal funding is uncertain; TEA-21 ends in fiscal year 2003.	In FY 2002, there were two DRCOG TIP projects in the City of Boulder: on US 36 totaling $1,383,000 including $159,000 in local (City) funds. In FY 2003, the DRCOG TIP includes four road reconstruction projects in the City of Boulder that total $4,830,000, including $664,000 local (City) match. These are SH 93: Broadway-Baseline; US 36 (28th St) at Iris Avenue (SH 119); SH93/SH7 (Broadway) from University to Pine and US 36 (28th St.) Arapahoe Ave. to Boulder Creek.
(Federal/State) **2. TEA-21/CDOT Set Aside for Transportation Enhancements**	Under TEA-21, 10% of the Surface Treatment Program revenues must be set aside for transportation enhancements, which include facilities for pedestrians and bicycles, scenic easements, landscaping, and other improvements. Funds are distributed to the State (CDOT), which, in turn, distributes funds to DRCOG for project funding selection. Enhancement funds are part of the Surface Transportation Program.. Project selections are the same as for the Surface Transportation Program.	Enhancement funds may be used for bicycle and pedestrian path improvements and street-related landscaping, and other similar projects. Funds may be particularly useful to finance existing deficiencies.	Federal and state funds are used to finance these projects. These revenues are principally from federal and state motor fuel taxes. Twenty percent local participation is required.	Funds to the State are established by federal funding formula. Within Colorado, funds allocated to each transportation region by the CDOT Commission.	This is a national program. that is a subset of the Surface Transportation Program, described above.	– There is significant competition for funds at the metropolitan level. . + Funds are available on a 80/20 (federal to local) match. – Future federal funding is uncertain; TEA-21 ends in fiscal year 2003.	In FY 2002 in the City of Boulder, there was one enhancement project, Wonderland Creek Underpass at SH 119, $1.88 million (local share: $125,000) In FY 2003, one project: Iris Avenue Two Mile creek Park is proposed: $1.0 million (local share $125,000)
(Federal/State) **3. TEA-21 /CDOT Congestion Mitigation / Air Quality (CMAQ) Funds** *(USC Title 49, Sec. 1110)*	This TEA-21 program is for state and local government projects and programs that meet the requirements of the Clean Air Act and are within areas that do not meet the National Ambient Air Quality Standards (nonattainment areas). Funds are apportioned to states on a formula basis that is weighted by state's share of population in nonattainment areas and the degree of pollution.	Boulder is one of five nonattainment areas eligible for CMAQ funds. *(Others are Colorado Springs, Denver, Fort Collins and Longmont)* Eligible projects include transit improvements, transportation demand management programs, and public fleet conversion to cleaner fuels and others that facilitate cleaner air. The Stampede and the DASH Transit Service have been funded with CMAQ funds.	Federal funding is primarily from the federal fuel tax.	– Boulder competes for CMAQ funds at a regional level. + This program is well established and requires no legislative action or vote. • Historically, Boulder has contributed between 20% and 50% to its CMAQ projects.	The program is applied nationally. The City of Boulder received a CMAQ grants for community transit service. The Stampede. Also, The DASH receives CMAQ funds.	+ For projects funded through the CMAQ program , substantial federal funds are used. – Future federal funding is uncertain; TEA-21 ends in fiscal year 2003.	In FY 2003, Colorado anticipates receiving $23,867,000. Approximately $18,161,000 was apportioned to the Denver metropolitan area. In FY 2003, the Stampede will receive $480,000 in federal funds; matched with $120,000 in local funds. The DASH Transit Service is receiving substantial CMAQ funds in FY 2003 through 2006.
(Federal/Regional) **4. TEA-21/ Federal Transit Admin. (FTA)** **Urbanized Area Formula Grant Program** *(USC Title 49, Sec. 5307)*	This is the primary federal source of RTD funding for capital maintenance projects that are not part of a new start grant. These TEA-21 funds are for transit capital and preventative maintenance and include 1% for transit enhancements. The funds are awarded directly from the FTA to transit organizations on a formula based on population, population density and transit operating data. In the Denver Metropolitan area, these funds are awarded to the RTD.	These funds are applicable to planning, operations, maintenance and capital costs associated with transit and para-transit services. Funds are awarded directly to the RTD, which prioritizes its capital needs within its six-year Transit Development Program (TDP). To benefit from these funds, the City must lobby the RTD for capital improvements that serve City purposes	Federal and state funds are used to finance these projects. These revenues are principally from federal and state motor fuel taxes. Local participation of between 20% and 50% is typically required.	Funds flow from the FTA to the RTD on a formula-basis.	Funds are available to transit providers throughout the county that are located in communities of 50,000 or more.	+ The RTD receives substantial federal revenue through this program. – Future federal funding is uncertain; TEA-21 ends in fiscal year 2003.	The RTD received about $29.97 million in FY 2002 and is scheduled to receive about $31.9 million in FY 2003.
(Federal/Regional) **5. TEA-21 / Federal Transit Administration (FTA)** **Discretionary Capital Investment Grants and Loans Program (New Starts)** *(USC Title 49, Sec. 5309)*	These funds are awarded at the national level to specific major, multi-year projects on a discretionary and competitive basis. Funds may be used for transit capital assistance for new fixed guideway systems and extensions to existing fixed guideway systems (New Starts) (40% of funds), fixed guideway modernization (40% of funds), and bus and bus-related facilities (20% of funds).	This funding resource is available to the RTD and not to the City of Boulder in a direct way. The City can lobby for projects that might be eligible for New Start funds. However, no such projects are currently envisioned within the 2002 TMP Update.	Federal funding is primarily from the federal fuel tax.	RTD manages the locally generated requests for funding within the Denver Metropolitan area under this program. Authorization for funds is at the federal level.	RTD has used New Start funds for design and construction of its Southwest Light Rail Line ($120 out of $178 million), the rail portion of the Southeast Corridor ($225 of $883 million), and its North Corridor Bus/HOV Line. Funding for the US 36 commuter rail/bikeway alternative would require additional New Start funds plus voter approval for the sales and use tax increase.	+ For projects approved under the New Start program, federal funds are substantial and are committed for a multi-year time horizon. – Future federal funding is uncertain; TEA-21 ends in fiscal year 2003.	New Start funding commitment was $120 million for the Southwest Rail Line and $225 million for the Southeast Corridor. x
(Federal/State/Local) **6. TEA-21 / Federal Transit Admin. (FTA)** **Value Pricing** *TEA-21 Act, Section 1216.*	This TEA-21 program, Value Pricing Pilot Program, formerly called Congestion Pricing, encourages implementation and evaluation of pilot projects to promote economic efficiency in the use of highways and support congestion reduction, air quality, energy conservation and transit productivity goals. Pilot programs can encompass a variety of applications including area wide pricing, pricing multiple or single facilities or corridors, single-lane pricing, and other market-based strategies such as area-wide Parking Cash-Out demonstrations, and tolls	Value Pricing and market-based pricing strategies are concepts that are consistent with the 2002 TMP Update.	Federal funding is primarily from the federal fuel tax.	This is a program that is available on a discretionary and competitive basis, nationally. Federal funds are available on a 80/20 Federal/Local matching basis.	Boulder won a discretionary grant to execute a Congestion Pricing Program in 1994. A number of analytical components were completed; the planned demonstration project was cancelled at the City's request. *Final Report: City of Boulder Congestion Relief Program*, 3/99, describes the project and its results.	+ The program is consistent with many Boulder transportation objectives. However, Boulder might not consider another pilot project at this time, given the results of the project in the mid 1990s. – Federal funding will expire in Fiscal Year 2003.	Nationally, $11,000,000 is available for Value Pricing pilot programs.
(Federal/State) **7. TEA-21 / Federal Transit Admin. (FTA)** **Formula Grants for Elderly and Persons with Disabilities** ***(USC Title 49, Sec. 5310)***	This TEA-21 program is for grants for transit projects that benefit the elderly and persons with disabilities. States receive funds from the FTA on a formula basis. In Colorado, funds are received by CDOT, which, in turn, awards grants on a competitive, discretionary basis.	Funds are available for transit serving elderly and disabled patrons.	Federal funding is primarily from the federal fuel tax.	Colorado receives funds on a formula basis and distributes these funds on a competitive, discretionary basis.	This is a national program that functions in each state. Special Transit receives funds from this program on a discretionary an competitive basis.	– Federal funding allocated to Colorado is relatively limited, about $3 million per year. – Future federal funding is uncertain, since TEA-21 expires in FY 2003.	In FY 2002, CDOT received $991,000 for statewide distribution.
(Federal) **8. Land and Water Conservation Fund**	When funds are available, the State assists the National Park Service is administering grants from the Land and Water Conservation Act of 1965. In Colorado, CO Division of Parks and Outdoor Recreation manages the administration of funds. For the first time since 1995, Congress has appropriated funds to the state grant program.	Funds must be dedicated to outdoor recreation. Applicant must own the land that is being improved. Funds may be made available for a three-year period. These funds could be used for bicycle trail improvements.		CO Division of Parks administers this program when funds are available.	This is a federal program. When funds are available, they are distributed to all states.	+ Under the prior state program, funds were available on a 50/50 basis (federal / local). – Funds are available intermittently.	

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(State) **9. Highway Users Tax Fund (HUTF)** *(recalculate share to municipalities)*	CDOT's major source of State funds is the Highway Users Tax Fund (HUTF). After removing some "off-the-top" revenues, the HUTF revenues are distributed as follows: 65% to CDOT, 26% to counties and 9% to municipalities on a formula basis. 80% of the municipal share is based on motor vehicle registration and 20% on lane miles. A different funding formula could direct more funds to urban areas such as the City of Boulder.	In Boulder, HUTF revenues go into the Transportation Fund.	Revenues are primarily from State motor fuel taxes and vehicle registration fees. There is also a transfer of sales and use tax revenues on motor vehicles from the General Fund to CDOT. Cities and counties do not receive additional HUTF fund distributions from the transfer.	This is an established stream of revenues.	Most states have a statewide program to generate transportation funds with a program to distribute funds locally.	+ This is a current and predictable source of revenue that Boulder relies on. 2 Revenues are already committed to transportation.	In 2001, the City of Boulder received about $2,475,000. Future revenues are estimated to increase 1 percent per year.
(State) **10. State Surplus (TABOR Growth Dividend)** *(supplemental revenues)*	The State has forecasted future State revenue surpluses, beginning in 2003. With the passage of HB1310/SB179 in 2002, the State may retain these surpluses rather than rebate them to the citizens. This authorization is termed the "TABOR Growth Dividend." Funds are distributed as follows: sufficient funds to allow the General Fund to grow at 6% per year; 2/3rds of remainder to transportation; 1/3 of remainder to the capital construction fund.	The trickle-down impact on Boulder would be an increase in HUTF funds plus additional funds to compete for through DRCOG.	State funds are primarily from the State income tax and sales and use tax. Without the TABOR Growth Dividend, taxpayers would receive rebates to income and sales/use tax fees paid.	In 2002, the State legislature approved this authorization (HB1310/SB179).	This is unique to Colorado.	+ With the Growth Dividend, Boulder would benefit directly from an increase in HUTF revenues and potentially from getting more projects funded through DRCOG.	State staff estimates that the TABOR Growth Dividend might yield $885 million over twenty years.
(State) **11. Dedicated Source of Revenue For Transit** (§43-4-206 C.R.S.) *(allocation of existing tax)*	This is a stream of state revenues that are dedicated to transit service. Funds might be distributed on a formula or a competitive basis. Most typical revenues used for transit are sales, property, gasoline and income tax. In 2002, the Colorado legislature passed HB1310/SB179; it states that 10% of the sales and use tax revenues transferred to the HUTF (SB97-001 funds) must be spent on transit. This is a change from "may" be spent on transit.	This could be applicable to community transit, transit-related improvements along the multi-modal corridors or funding/discounting the ECOPASS.	The local incidence is on payers of retail goods, which includes residents, businesses and visitors, statewide. (Groceries are exempt from the state sales tax.)	The 2002 Colorado legislature passed an act requiring 10% of the sales and use tax revenues on motor vehicles that are transferred to CDOT be spent on transit. (These revenues are sometimes called the SB1 revenues.)	Prior to 2002, Colorado was one of five states without a dedicated source of revenue to fund transit. Other states without a dedicated source of revenue are Alaska, Arkansas, Hawaii and New Mexico.	• These are not new source revenue but is a mandatory allocation of more than $20 million per year. • It is unclear how the revenues might flow from CDOT to RTD or others.	In 2001, CDOT received $213.4 million from sales and use tax revenues on motor vehicles and related item. Ten percent of this figure is $21.3 million.
(State) **12. Colorado Conservation Trust Fund** *(formula-driven funds)*	40% of State lottery revenues go to the Conservation Trust Fund for use by local governments for park and recreation projects. Funds are distributed on a per capita basis.	Funds currently go into the Boulder Lottery Fund. These funds could be used for bicycle trail improvements.	Revenues are from State lottery proceeds. The state lottery is a voluntary game of chance. Participants (funders) are residents and visitors.	There are effectively no legal or administrative costs associated with receipt of these funds.	Funds are distributed statewide by formula.	+ This is reliable source of funding.	In 2001, Boulder received an estimated $700,000 from the Colorado Conservation Trust Fund.
(State) **13. State Trails Program** *(win discretionary grants)*	Established in 1971, this program is funded with three primary revenue sources; GOCO-Local Government Funds, GOCO-State Parks Funds, TEA-21 Section 112 Recreation Trails Program and Off-Highway vehicle (OHV) registration fees. GOCO provides local governments and nonprofit organizations matching grants to preserve parks, trials, and open space. GOCO is funded with proceeds from Colorado Lottery Revenues. Local governments compete for funding.	Funds are available for both non-motorized and motorized trails. Cities, counties, districts, State and non-profit organizations are eligible for funding through an annual competitive process.	GOCO revenues are from State lottery proceeds. The state lottery is a voluntary game of chance. Participants (funders) are residents and visitors. TEA-21 revenues are primarily from the federal fuel tax.	There is staff time and resources associated with applying for grants from GOCO.	Funds are available statewide on a competitive basis. Recent grants have averaged between $50,000 and $100,000.	+ Funds are available on a 50/50 basis (state / local). – Total funding statewide is relatively limited. - Revenues are unpredictable as they are based on competition.	Annually, approximately $1.7 million are available for non-motorized trails and $700,000 are available for motorized trails.
(State) **14. Motor Fuel Tax** (wholesale) (§39-27-102 C.R.S.)	This tax is currently imposed by the State on distributors of gasoline, gasohol and diesel fuels. It is imposed at the wholesale level in lieu of a State sales tax on motor fuels. The current rate is $0.22 per gallon on gasoline and gasohol and $0.205 per gallon on diesel		Users of gasoline and special fuels ultimately pay this. Residents, visitors and businesses would all pay the tax. The tax would particularly impact businesses in the delivery business.	• Only the state may impose a motor fuel tax. A local option rate increase that would require a change in State Statutes • In 1997, there was an attempt to place a $0.05 per gallon increase in motor fuel taxes statewide. Support was withdrawn in favor of earmarking sales tax revenues for transportation projects.		– It would require a change in state enabling legislation to allow local governments to collect motor fuel tax. It is unlikely that the State would willingly relinquish its sole rights to a motor fuel tax	In 2001, The State collected $531,500,000 in motor fuel taxes. No revenue calculations for the City have been prepared
(State / County / City) **15. Motor Vehicle Registration Fee** *(City term: Auto Registration Fees)* (§ 42-3-133 C.R.S.) *(surcharge)*	These fees are imposed by the State, based on the type and weight of vehicles. The fee is paid where the vehicle is registered. The County Division of Motor Vehicles collects the fees on behalf of the State and retains $4.00 per vehicle for most vehicles and $1.50 per vehicle motorcycles, trailer coaches and construction equipment. for distribution within the County on the basis of vehicle owner's registered residence. The State earmarks the fees for the HUTF, a portion of which is redistributed back to cities and counties.	The City currently directs these revenues to the Transportation Fund. If fees were imposed on all registered vehicles, funds would be most applicable for projects that correct existing deficiencies or maintain the current system.	Both residents and businesses pay motor vehicle registration fees.	• Only the State is authorized to impose motor vehicle registration fees at this time. • In 1997, there was a proposed ballot initiative to impose a $10 per vehicle surcharge. Support was withdrawn in favor of earmarking sales tax revenues for transportation projects.	Each Colorado county receives and disperses motor vehicle registration fees in a manner that is prescribed by State Statute.	- Allowing local governments to receive motor vehicle registration revenues above the $4 per vehicle payment to counties would require a change in enabling legislation.	In 2001, the City estimates that it received about $260,976 in motor vehicle registration fees. In 2001, a $1 surcharge would have yielded about $65,200
(Regional) **16. Regional Transportation District**	Currently, the RTD matches its local revenues, from a dedicated 0.6% sales and use tax, with federal revenues and operating revenues (farebox, advertising, etc.) to fund its bus and transit services. The RTD may now (HB1310/SB179) to ask voters for an additional. 0.4% sales tax, after petitions are gathered and certified.	The incremental 0.4% sales tax would fund a 105-mile system of light rail over then years, including commuter rail service along the existing railroad tracks near US 36 and a bikeway that parallels US 36.	The local incidence is on payers of retail sales and use tax, which includes residents, businesses and visitors. (Groceries are exempt.)	There are no incremental administrative costs associated with collecting additional revenue. Voter approval is needed. Authorization to proceed was granted by the legislature in May 2002.		+ If voters approve, this would generate substantial revenues for transit in the Denver metropolitan area.	RTD's 0.6% sales and use tax generated about $202 million in 2001. A 0.4% sales tax increase would generate sufficient funds to finance the local share of a $4.4 billion plan to develop a 105-mile system of light rail over ten years.
(County) **17. County Road and Bridge Fund** *(mill levy increase)*	Colorado counties impose a mill levy for road and bridge improvements. Cities receive an amount equal to 50% of the revenue accruing to the fund that was collected against assessed valuation in the City. Boulder receives Fund revenues from Boulder County. Boulder County imposes a 0.443 mill levy for its Road and Bridge Fund. The City received about 27% of total County Road and Bridge Fund revenues..	Currently, these revenues are allocated to the Transportation Fund. Funds are most applicable to finance projects that correct existing deficiencies or maintain the current system. Note: HB1310/SB179 now allows counties within the RTD service area "to provide transit services in cooperation with the RTD."	Imposed on the basis of assessed real estate values. Due to assessed valuation formulas, residential properties pay 33% of what non-residential properties pay, for the same value of property. Visitors do not pay property taxes in a direct way.	Boulder County sets the mill levy. State Statutes established the distribution formula. The County could increase the mill levy with a popular vote.	Each Colorado county imposes a Road and Bridge Fund mill levy. State Statute sets the distribution.	- Revenues are already committed, as these funds go into the Transportation Fund. + This is a predictable and reliable stream of funding. 2 Boulder County imposes a low mill levy for its County Road and Bridge Fund (0.443) relative to other Colorado Counties.	In 2001, Boulder received about $538,700, which was about 27 percent of the County Road and Bridge Fund. Revenues to the City were equivalent to a municipal mill levy of 0.20. (2001 assessed valuation is $1,912,398,310) ($538,700 / $1,912,398,310) City staff forecast a 1% increase in revenues per year.

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(County) 18. **Specific (Motor Vehicle) Ownership Tax** (§ 42-3-106,107 C.R.S.) *(rate increase)*	This tax is collected and distributed at the county level. This is in lieu of a personal property tax on motor vehicles. It is levied annually by counties on vehicle ownership and is collected when license plates are renewed. Counties distribute all tax revenues but $1.00 per vehicle to each government (county, cities, districts) within the county, which receives property tax revenues, proportionate to expected property tax revenues received. State Statutes establish the tax rate. It is based on the value and age of the vehicle. Tax revenues average about $75 per vehicle.	These funds are distributed to the General Fund, CAGID and UHGID since these are the funds that collect property tax revenues. No funds are allocated to the Transportation Fund at this time. Since revenues are collected from existing and new vehicle owners, they would be most applicable to finance projects that correct existing deficiencies or to finance the local government share of projects partially funded by new development.	Both residents and businesses pay specific ownership taxes. Since the tax is based on the value of the vehicle, it does not have as severe an impact on low-income households as some other taxes and fees.	+ Produces a predictable revenue stream. • The fee schedule and the distribution formula is established by State Statute. Since the school district has the highest mill levy, it receives the largest portion of revenues.	+ Produces a predictable revenue stream.	− Requires a change in State enabling legislation. − Revenues are already committed, as these funds go into the Transportation Fund. + This is a predictable and reliable stream of funding. 1 There are no additional administrative costs associated with collecting this revenue.	In 2001, Boulder estimates that it received $1,516,000 in specific ownership tax revenues.
(County) **19. New Wheels Motor Vehicle Registration Fee** *(new tax)*	This would be a one-time tax on Anew wheels@ registered in the City or County. It would include registration of any cars from out of state and the purchase of vehicles in-state if the purchaser does not give up another vehicle registration at the same time.	This would be applicable for projects that are triggered by new development. This tool might be imposed at the County level to finance projects that extend beyond City boundaries.	This tax could discourage some transportation-related businesses from establishing a location in Boulder..	• Allowing local governments to impose a Anew wheels@ tax might require a change in State Statutes unless it is considered a specific occupation or excise tax. • Administrative costs would be minimal because the County could be retained to collect the fee when it collects the motor vehicle registration fee.	In 1997, Loveland considered a ballot item to place a $100 new wheels registration fee. Support was withdrawn in favor of earmarking sales tax and the item failed. Also in 1997, there was a statewide initiative drive to place a $100 new wheels registration fee on the November ballot but it failed.	- The revenue generating potential of this tool may be relatively small.	If a $100 new wheels tax were approved in Boulder and imposed on newly registered vehicles, this tax might generate about $55,050 in revenue in 2001. (367 new residential units x 1.5 vehicles per dwelling x $100) These calculations exclude vehicles registered to commercial and public sector entities.
(County) **20. Sales Tax for Mass Transit** Additional 0.5%: (' 29-2-103.5 CRS) *(new tax)*	Counties may impose a sales/use tax up to 1.0%. In addition, any county outside of the RTD service area can impose an additional 0.5% sales tax for financing, constructing, operating or maintaining a mass transportation within the county. Since the RTD already imposes a 0.6% sales tax, this legal authority is not available in the Denver metropolitan area.	Imposed countywide, this tax would be most applicable to finance upgraded intra-county transit service, such as the DASH Transit Service, broader dissemination of the ECOPASS, and para-transit service upgrades	Same as sales tax.	+ The County already imposes a 0.55% sales and use tax which includes (effective 7/02) a 0.1% tax for transportation improvements. Incremental administrative costs would be minimal. + The County could impose an additional 0.45% sales tax with a popular vote. – The County's use the mass transit authority tax would require a change in State Statutes.	In Boulder County, 0.1% of the county sales tax is dedicated to transportation. This authority extends from July 2002 through July 2009. $48.4 million are anticipated over the 7 years. They will be used to fund $38.0 million in roads; $6.0 million in transit (park n ride and regional bus service) and $4.3 million in bicycle/pedestrian improvements.	+ Would produce a significant and stable stream of revenues. + County does have authorization to impose an additional 0.45% sales tax before reaching its 1.0% sales tax ceiling. - Counties may impose a sales tax of up to 1.0%. Imposing this tax, which is above the 1.0%, would require a change in State Statutes.	Boulder County in 2001, a 0.5 % sales tax would have generated about $20.3 million in sales tax revenue annually; a 0.1% sales tax would generate about $4.1 million annually. ($4,061,198,679, taxable sales x .005)

CITY TAXES, FEES & DEBT

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21. Property Tax (Section 94, Article VI, Charter of the City of Boulder) *(Rate increase)*	This is a tax on real and personal property. The city mill levy for collections in 2002 is 9.301. This would be an increase in the city mill levy from the current amount that would be earmarked for transportation projects. It could be used in conjunction with the issuance of general obligation bonds. Currently, property tax revenues are earmarked for the General Fund, the Permanent Parks Fund, the Library Fund and Public Safety.	An incremental mill levy could be earmarked for the transportation fund; it could be used as debt service to finance particularly large projects of citywide benefit; it could be used within a district. This would be most applicable to finance projects that correct existing deficiencies or finance the local government share of projects partially funded by new development.	Would be imposed on the basis of assessed real estate values. There is a weak connection between assessed values and the need for roads. Due to assessed valuation formulas, residential properties pay 33% of what non-residential properties pay, for the same value of property. Visitors do not pay property taxes in a direct way.	• Requires a popular vote to increase the mill levy. • The administrative staff are in place to manage and disburse sales tax revenues	CAGID imposes a net mill levy of 6.575 mills. UHGID imposes a net mill levy of 3.163 mills. The Forest Glen Transit Pass GID imposes a net mill levy of 1.49 mills	− Any increase in the mill levy would require a popular vote. + Generates significant and predictable potential revenue stream.	The City's 2001 taxable assessed value is $1,912,398,310. A one mill levy (.001) would generate annual revenues of $1,912,398.
22. Sales Tax *(Rate increase)*	The City currently imposes a sales tax of 3.26% (excluding the 0.15% food service supplemental tax) and earmarks revenues to 8 funds. Included in this total is 0.6%, which is earmarked for the Transportation Fund, pursuant to a vote in 1967. The Transportation Fund also receives 37.5% of excess sales and use tax revenues after debt service and administrative costs within the BURA area. The BURA debt retires this year, 2002. With voter approval, the sales tax rate (excluding the 0.15% food service supplemental tax) could be increased another 0.74% to 4.0%. Alternatively, sales tax rate could be increased on food and lodging or any other category of taxable expenditure.)	The voter-approved allocation to transportation states that funds are earmarked "for projects related to transportation or for related or appurtent to transportation services, or facilities..." (BRC 3-2-39) Sales tax revenues are the largest single source of Transportation Fund revenues.	Households and businesses that purchase retail goods in the county pay these taxes. The sales tax is also imposed on visitors and travelers who purchase retail goods and stay in local lodging. Boulder offers a refund on sales taxes paid for food based on family income and family size. For example, a family of 4 earning between $33,300 and $33,700 is eligible to receive a $236 refund.	• The administrative staff is in place to manage and disburse sales tax revenues. • A popular vote is necessary to increase the tax rate.	• Boulder earmarks 0.6% of its sales tax revenues for the Transportation Fund. • Fort Collins dedicates 0.25% to capital projects including transportation; set to expire but may be reinstated just for transportation. • Boulder County has a 0.1% sales tax for transportation improvements. • Jefferson County imposes a sales tax n a local imp. district.	+ Produces a significant and predictable revenue stream. + Historically sales tax revenues have increased without a change in the rate. In the last year, however, Boulder experienced a slight decline in sales tax revenues.	In 2001, the City's 3.26% sales tax generated $62,669,849 in revenue. This is based on taxable sales of about $1.92 billion ($62,669,849 / .0326). *(Note: These figures exclude use tax.)* If imposed in 2001, a 0.1% increase in Boulder's sales tax rate would generate revenues about $1,922,400. [$1,922,388,006 (estimated taxable sales) x .001]
23. Motor Vehicle Sales & Use Tax *(Local option rate increase)*	This concept would allow cities to impose an incremental sales tax on motor vehicles, as a local option. It would be a one-time fee levied either on all vehicles registered in the City at the time of sale or on all vehicles sold in the City at a rate higher than the general sales tax. This concept would allow cities to impose an incremental sales tax on motor vehicles only, as a local option. This is not authorized by State Statutes at this time. This would be a one-time fee levied either on all vehicles registered in the city at the time of sale or on all vehicles sold in the city, at a rate higher than the general sales tax.	This and other vehicle related taxes might be appropriate to finance the projects that facilitate a shift to alternate modes.	If the fee were imposed on the value of the vehicle, then there would be some direct correlation between income and the fee paid. If imposed at the point of sale, this tax would place dealerships located in Boulder at a competitive disadvantage to dealerships in other portions of the metropolitan area. If imposed where the vehicle is registered, it may discourage some transportation-related businesses from locating in Boulder.	Currently, cities receive sales and use tax on vehicles registered in their jurisdiction. Administrative procedures are in place. Increasing the tax rate on motor vehicles might require a change in state enabling legislation to allow a local option sales tax rate increase on motor vehicles only. This tax might more easily be imposed at the county level with distribution back to municipalities.		− This might require a change in state enabling legislation.	In 2001, the City's 3.26% sales and use tax generated $1,941,850 in revenue, based on motor vehicle sales of about $90.2 million ($1,941,850 / .0326) to residents and businesses registered in the City. A 0.1% increase in Boulder's sales and use tax rate on motor vehicles would generate about $90,240 in revenue. ($90,240,798 x .001).

SUMMARY OF FINANCE TOOLS TO SUPPORT THE 2002 BOULDER TRANSPORTATION MASTER PLAN UPDATE

NAME	DESCRIPTION	APPLICABILITY TO 2002 TRANSPO. MASTER PLAN UPDATE	INCIDENCE & EQUITY CONSIDERATIONS	LEGAL & ADMINISTRATION CONSIDERATIONS	APPLIED ELSEWHERE	BENEFITS & LIMITATIONS	QUANTIFICATION
24. Use Tax *(Rate increase)*	The City currently imposes a use tax of 3.26%. With voter approval, it could be increased to 4.0%. A use tax is a compliment to a sales tax. It is imposed on the same items as a sales tax for products purchased outside of the city and "used" in the city. Use tax revenues are typically from building materials, machinery and equipment and motor vehicle sales. Use tax revenues are earmarked the same as sales tax revenues; 0.6% is earmarked for the Transportation Fund. In Colorado, municipal sales and use tax rates are often (but not always) imposed at the same rate.	Since a substantial portion of this fee is from building materials, which are growth-related, use tax revenues might be more applicable to projects that serve new growth.	This tax is imposed on households and businesses that purchase or use taxable retail items in the city and on contractors who purchase building materials for use in the city. Use tax revenues from building materials correlate with new construction.	• A popular vote is necessary to increase the use tax.	Sixty percent of Colorado municipalities that impose a sales tax also impose a use tax. A few have dedicated use tax revenues to capital projects. Eagle adopted a 4% use tax for capital improvement. Louisville imposed a 3.375% use tax on building materials for schools and open space.	- Requires a vote to increase the use tax rate. + Use tax revenues on automobiles are generally predictable. 2 Use tax revenues on building materials fluctuate with real estate construction activity.	In 2001, Boulder's use tax revenues were about $16,201,300, about 20% of sales and use tax collections. The City's use tax on autos generated $2,346,000; the use tax on building materials generated $2,941,000; the use tax on business purchases generated $10,913,000. If a 0.1% increase in the use tax rate (3.26% to 3.36%) had been imposed in 2001, it would have generated about $497,000. ($496,972,515 x .001)
25. Accommodations Tax *(rate increase)*	This is an excise tax that is imposed on lodging establishments based on their room revenue. It functions like a sales tax surcharge. Boulder already has a 2.24% lodging tax. Revenues go into the General Fund.	This may be particularly appropriate if there are improvements that benefit visitors.	Overnight visitors would pay the incremental lodging tax.	This would require a popular vote to increase the lodging tax. There would be no additional administrative costs other than notice to lodging operators about the tax rate increase. Boulder already collects its own sales and lodging tax revenues.	There are 29 Colorado municipalities that impose a lodging tax. Within the Denver metropolitan area, they include Arvada, Aurora, Boulder, Denver, Englewood, Greenwood Village Lakewood, Northglenn, Thornton, Westminster and Wheat Ridge.	– This would require a popular vote. + The stream of revenues would be generally predictable and would increase as room rates increase. + It would not be imposed on residents.	In 2002, an estimated $2.3 million was generated by the City's 2.24% accommodation tax.
26. Development Excise Tax *(Increase in tax rate)*	This is a tax imposed on new development on a per square foot basis for nonresidential and a per unit basis for residential. In Boulder, a specified portion of the tax rate is transferred to the Transportation Development Fund.	The transportation excise tax is to pay for the additional functional capacity needed for streets, bikeways, greenways, pedestrian facilities, grade separations and transit. The current fee is $1,051 to $1.741 for residential units and $1.53 per square foot for nonresidential. The 2002 TMP does not focus on additions to the transportation infrastructure.	Builders pay the fee at the final inspection stage of the building permit process. The *Development Excise Tax* study (6/96) prepared for the City shows that the current residential fees pay for about 22% and nonresidential fees pay for about 11% of the needed growth-related improvements. If transit were removed from the calculations, then the current residential fees pay for about 57% and current nonresidential fees pay for about 30% of the needed improvements.	The Development Excise Tax is in place. There are relatively modest legal and administrative costs associated with changing the tax rate.	A number of municipalities in Colorado impose an impact fee for transportation that is similar to the Development Excise Tax on transportation. Many more are considering this idea. Fort Collins is considering a 1% Construction Value Tax (excise tax) imposed on improvements to real estate.	+ Perceived to be equitable to existing residents and businesses. + Excellent supplemental revenue source if matched with local government revenues. - Produces an unpredictable revenue stream.. – The *Development Excise Tax Study* reports that transportation portion of the development excise tax finances a small portion of the improvements needed to support new development.	In 2001, City staff estimate that the transportation excise tax generated $882,000. Forecasts for future years are difficult because the relate to future real estate development activity.
27. Project Investment Fee *(New fee)*	This fee functions like a supplemental sales tax. It is imposed on a voluntary basis by landlords on their tenants. It has been used by shopping centers to fund project-area infrastructure improvements.	This fee is particularly appropriate for improvements within multi-modal corridors where the improvement served a retail development or generated new retail development.	The project investment fee would function like a sales tax on retail goods and would have the same equity consequences. It would be imposed by the landlord and concluded as a condition of the lease. Revenues would be paid to the landlord.	This would be a privately imposed fee that would require no vote of the people or City Council. The parties imposing the fee would likely require an agreement that they would receive improvements or services in return for fee revenues.	Park Meadows Mall used a PIF to finance site-related infrastructure improvements. Lakewood is considering several applications of a PIF for retail developments to fund site-related improvements.	+ This requires no vote, since it is imposed privately. + Funds generated can be substantial. + Public sector administrative costs are minimal.	Revenues would relate to the scale of the development that would be subject to a project investment fee.
28. Tax Increment Financing (TIF) *(Additional application of an existing tool)*	The concept of tax increment financing is to earmark incremental sales and property tax revenues from redevelopment toward public improvements within the redevelopment area. If the urban renewal authority (BURA) is used, then all incremental property tax revenues (school, county, city, etc.) can be earmarked for project area improvements.	This tool is most appropriate to finance improvements in a specific geographic area where the improvement will generate substantial additional development activity.	This is a reallocation of property and sales tax revenues to improvements within a specified area that has been declared blighted. If the formal urban renewal authorities are invoked, then property tax revenues previously flowing to the School District and the County would be earmarked for improvements within the blighted area.	• If the urban renewal powers are used, then there are significant administrative costs in establishing the project area. If the concept of tax increment is used, then implementation is more streamlined. + Authorized under State Statutes. – It may be helpful to coordinate with County and School District, since property tax revenues would be frozen at base year levels.	Boulder has used tax increment financing (TIF) in the Crossroads Area and is pursuing TIF in Downtown. Fort Collins and Santa Barbara have used tax increment financing to build parking structures.	+ Can provide additional financing (property tax revenues from the County and School District) for Boulder projects at no additional cost to Boulder taxpayers. – Must be within blighted area, if urban renewal authorities are used..	Revenues would tie directly to the forecasted sales and property tax revenues.
29. Head Tax *(New tax)*	This would be a tax imposed on employees or employers who work in the City of Boulder. The City has substantial flexibility regarding who pays (employer versus employee) and who is exempt (public, nonprofit, low-wage earners).	This would be applicable to finance projects that correct existing deficiencies and projects that serve commuters.	The tax could be imposed on 100% on employees or 100% on employers or shared between the two. This is one of few tools that can target people who work in Boulder and reside elsewhere. If imposed as a flat tax, it would impact low-wage employees more than high-wage employees. Excluding those earning less than some minimum amount could lessen the regressive impact. Government employers and non-profits could be exempt.	This taxing authority is available to home rule cities only, such as Boulder.	Currently, Aurora, Denver and Greenwood Village impose a head tax. Denver's tax is $117 per year per employee; Aurora's tax is $48 per year. Greenwood Village's tax is $48 per person per year. In each case, the employee pays 50% and the employer pays 50%. Boulder voters turned down a $116 per year head tax in 1994.	– Requires a vote to impose a new tax. + Produces a predictable stream of revenue	City staff estimate that there are about 103,000 employees in the City. (This includes public and private sector.) If imposed on all employees, • a $4 per month ($48 per year) tax would generate $4.9 million per year; • a $10 per month tax ($120 per year) would generate $12.4 million.
30. Motor Fuel Tax *(retail)* **Specific Occupation Tax on Gasoline Sales** *(New tax)*	A specific occupation tax is a form of excise tax. This particular application would be imposed on transportation-generating businesses, such as gas stations. It might be based on gallons of fuel sold, or the value of fuel sales.	This would be applicable for projects that correct existing deficiencies and for the City share of projects partially funded by new development. This and other vehicle-related taxes and fees might also be appropriate to finance improvements that facilitate a shift to alternative modes.	If passed through to customers in a price increase, this tax is regressive as those with lower incomes spend a larger portion of their income on gasoline. If absorbed as an operating expense, it would reduce the profitability of businesses selling gasoline. The tax would be imposed directly on a major contributor to the need for transportation improvements. Residents, visitors, and businesses would all pay the tax. The tax would particularly impact businesses in the delivery business.	• Only home rule cities have the authority to impose a specific occupation tax. Examples are lodging taxes, based on room revenues and taxes imposed on cable TV companies, based on subscribers. • It would require a new administrative system to impose this new tax. • Ordinance needs to state that the primary purpose of this tax is to raise revenue, not regulate land use.	• No Colorado city has used its excise tax authorities to impose a motor fuel tax. This may be legally questionable. • Counties in California, Florida, Illinois and Oregon may impose a motor fuel tax or a motor vehicle fuel dealer license tax. • Municipalities in Oregon may impose a business license tax on motor vehicle fuel dealers. (Eugene, Pendleton, Tillamook impose the fee among others.)	+ Currently authorized under home rule authorities. + Imposing an excise tax does not require extensive analysis of equity implications. There may be a question regarding the legal feasibility of this approach.	No revenue calculations have been prepared.

SUMMARY OF FINANCE TOOLS TO SUPPORT THE 2002 BOULDER TRANSPORTATION MASTER PLAN UPDATE

TMP UPDATE Transportation Master Plan

NAME	DESCRIPTION	APPLICABILITY TO 2002 TRANSPO. MASTER PLAN UPDATE	INCIDENCE & EQUITY CONSIDERATIONS	LEGAL & ADMINISTRATION CONSIDERATIONS	APPLIED ELSEWHERE	BENEFITS & LIMITATIONS	QUANTIFICATION
31. Transportation Utility Fee *(New fee)*	Cities have the authority to create, franchise or license utilities under ' 31-21-101 CRS. While this statute is typically used to franchise electric, gas and telephone services, it has also been used by the City of Fort Collins to create a street utility.	This may be applicable to maintenance of transportation improvements rather than to constructing capital projects. This tool could replace exiting Transportation Fund revenue sources.	The utility fee would need to be structured to share costs equitably among users. For example, the Fort Collins fee schedule was based on land use and trip generation and was imposed on developed properties on a per front foot basis. Providing favorable treatment to properties abutting roads maintained by the State could cause an inequity.	The Fort Collins utility was tested in the Colorado Supreme Court. The Court ruled that the street maintenance fee was a form of special services fee and the fee schedule reasonably correlated with use and was appropriately imposed. The Fort Collins City Attorney does not believe that it was necessary to create a utility to impose a street maintenance fee. There may be significant costs (technical, administrative, and legal) to establish a utility.	Fort Collins implemented and then abandoned the utility in favor or a simpler transportation finance program. Fort Collins is now considering a "Transportation Maintenance Fee", collected via the city's utility billing system. The fee would be based per residential unit and per vehicle trip for nonresidential uses. Eight Oregon cities impose a transportation utility fee.	– May be time-consuming to impose fee. + May be perceived as an equitable technique to collect street maintenance costs, thereby freeing up existing revenues currently used for street maintenance.	As an illustration, there are 657 lane miles in Boulder that are maintained by the City. A maintenance fee of $0.10 per linear foot per lane would generate about $ 346,900 per year. (657 x 5,280 x $0.10)
32. Peak Period Pricing (Tolls) *(New fee)*	This tool regulates use of roads or bridges during peak periods by charging a fee or toll. The toll might be levied to enter a high-occupancy vehicle (HOV) lane, a corridor or an area (zone) during peak periods of travel.	The City could use Automatic Vehicle Identification (AVI) technology to collect variable roadway fees on a particular roadway, and during a particular time of day City does not HOV lanes. This concept might be more appropriately tied to controlled-access roads such as US 36.	The *Business Impacts Report* (6/98) prepared for the City, concluded that business impacts are relatively low but for impacts on lower--wage employees, manufacturing firms and retailers with competition outside of Boulder. Some negative impacts could be mitigated with "lifeline tolls", ECO-passes and shuttle services.	There are costs associated with purchasing equipment and implementing a controlled entry/exit system.	Electronic tolling has been applied by many cities and toll authorities, including the E-470 Authority. The US 36 corridor was financed with toll revenues; tolls applied in 1952 and removed in 1967. Cordon-line pricing has been applied in Trondheim (Norway) and Singapore.	+ Using this market-based tool, there is a direct link between those who benefit from the transportation facility those who pay. The tool can be used in a direct way to monitor the availability and efficient use of transportation facilities. – The tool would challenging to implement since there are no controlled access roads or areas in Boulder at this time.	As part of its Congestion Relief Program, the City tested a $1 peak / 50¢ off-peak trip charge and determined that it could raise as much as $114 million annually (See *Modeling Report*)
33. Vehicle Miles Traveled (VMT) Fee *(New fee)*	This is a fee based on miles traveled. The fee could be a sliding scale where the first "increment" of miles are exempt and additional miles traveled are charged a hither per-mile fee. Other adjustments could be structured to provide "credit" for emissions-saving or gasoline-saving devices. Companies using vehicles for long hauls outside of Boulder might be classified separately. It is collected by monitoring vehicle odometers. The fee might be assessed annually when vehicles are registered.	This fee would favorably impact mode choice and vehicle miles traveled, which are primary Transportation Master Plan objectives. The *Congestion Pricing Modeling Report* (1998) found that a 10¢ VMT charge would increase transit usage by 2001% increase shared rides by 2.9% and decrease auto VMT by 6.24%.	The *Business Impacts Report* (6/98) concluded that a VMT charge may negatively impact lower--wage employees, manufacturing firms and retailers with competition outside of Boulder. Some negative impacts could be mitigated with "lifeline tolls", ECO-passes and shuttle services. This fee would burden local residents and businesses but not commuters.	These fees would be assessed either at filling stations or annually, during vehicle registration.		+ A fee on VMT will reduce travel, significantly if the tax is high and strongly enforced. The strongest effects will be on trips of lower value and on trips for which a lower-priced alternative is available. + This fee does not require new equipment. + The fee is a potentially significant money generator.	As part of its Congestion Relief Program, the City tested a ten-cent VMT charge and determined that it could generate as much as $75 million annually. (See *Modeling Report)*
34. Vehicle Hours Traveled (VHT) Fee *(New fee)*	This is a fee based on vehicle hours of use, possibly collected by monitoring engine running time. It would require installation of a new device.	If the fee is high enough, it might reduce peak our travel, thereby easing congestion without expanding capacity.	This fee would burden local residents and businesses but not commuters. The fee would impact those traveling during the peak hour the most.	This may be the most expensive of the three travel-based fees since it requires the purchase and installation of new equipment.		– Requires the purchase and installation of new equipment in vehicles. + By reducing peak hour congestion, this tool could reduce pressures for capacity improvements.	No estimates have been prepared.
35. Vehicle Performance Fee *(New fee)*	This is an annual fee that is imposed per vehicle on the basis of its effects on air quality. The fee might be assessed annually when vehicles are registered. It could be based on emissions, BTUs, or CAFE (Corporate Average Fuel Economy) standards.	If the fee were high enough, it would impact vehicle-purchasing decisions, thereby directly improving air quality, an objective of the TMP Update.	This fee may be inversely correlated with household income, since low-income households tend to own older and less efficient vehicles.	This may be the least expensive of the three vehicle-travel related fees.	The State requires emission testing of gas and diesel powered vehicles when registering or selling vehicles in the "enhanced area" which includes most front range counties. The test is done privately. This is not a revenue tool. The fee covers the test costs.	+ Requires no new equipment. + Correlates directly with improving air quality.	No estimates have been prepared.
36. Off-Street Parking Space Fee *(New application of fee)*	This is a one-time, annual or monthly fee imposed on property owners per off-street parking space. Property owners could pass this fee on to users in a variety of ways. CAGID and UHGID use a form of this fee in that they charge for use of spaces in the parking garage and parking lots within their district boundaries.	This fee would be applicable to any project that reduces dependence on the automobile, such as funding the ECOPASS and community transit.	This fee would impact all parking space users, including residents, businesses, commuters and visitors. It penalizes properties that have complied with city parking regulations and benefits properties that have not. High tax generators (retail, lodging) are particularly impacted. It imposes a direct charge on a less desirable travel mode, potentially impacting mode choice.	There are significant administrative costs associated with developing and maintaining a database showing off-street parking spaces per property and sending monthly or annual bills.	CAGID and UHGID impose parking fees to finance their parking lots and structures. Eugene uses parking fee revenues from municipal facilities to finance buss passes for its employees.	+ Once established, parking space fees generate a predictable stream of revenue.	No revenue estimates have been calculated for additional application of this concept. In 2001, CAGID raised $2.2 million from its short-term and long-term parking fees. In 2001, UHGID raised about $114,000 from lot revenues.
37. On-Street Parking Fee *(Additional application of existing fee)*	This concept would involve a charge to use on-street parking in a more universal way than parking meters, which are currently in place in some high-demand portions of the City. For example, residents might be charged for on-street parking if they do not have adequate off-street parking.	This tool may be particularly useful in managing parking within multi-modal corridors.	This fee might particularly impact university students.	There would be costs associated with administering and enforcing this fee.	Boulder imposes on street parking fees is some locations; revenues go to the General Fund. Boulder issues on-street parking permits to residents in neighborhoods abutting downtown.	+ Could be a self-financing tool to better allocate a scarce resource, on-street parking. + Can be accomplished under current State statutes.	Typically, permits are used as a tool to allocate a scarce resource (parking) rather than as a revenue generator.
38. Peak-Period Parking Fee	This is a fee that is imposed on drivers to park vehicles in certain locations and/or during certain times of day. This tool could be used for on-street or off-street parking.	This tool can help facilitate a shift to alternative modes.		There would be staff requirements to enforce the peak period parking fee.	A mild form of peak period parking fees is imposed within CAGID and UHGID since meter usage is not required throughout the day.	+ This tool would foster efficient use of high-demand areas without expanding the parking supply.	This could be a cost savings tool if it reduces peak demand and reduces pressure for additional parking.
39. Bicycle Fee *(New fee)*	This concept is to impose a one-time or an annual fee on all bicycles in the City. The bicycles could be tagged with a city registration	This fee is inversely correlated with the TMP objectives, which include increasing bicycle ridership. This may be applicable to capital improvements for bicycle paths. Fees might be applicable to finance bicycle security programs.	This fee may be inversely correlated with income.	There may be significant costs associated with enforcing the registration and imposing penalties for not registering.		– An annual fee would be costly relative to revenues generated from an administrative perspective. – Revenue-generating potential is relatively low.	No revenue estimates have been calculated.

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40. Tolls on Roads *(New fee)*	Colorado Revised Statutes authorize the collection of tolls for construction of a new turnpike or for improvements to existing turnpikes including the retirement on bonds.	This is a tool that is appropriate for new roads that provide a quick route with no easy, free substitutes. Toll roads or toll bridges are most effective when the improvement is the only route between places or is a substantial time or mileage improvement over the next best alternative. The tool has relatively little applicability to the Boulder TMP Update.	The burden of paying the toll corresponds directly to the user.. Drivers that benefit from a faster trip pay the toll. Toll roads or toll bridges are most effective when the improvement is the only route between places or is a substantial time or mileage improvement over the next best alternative.	There are significant legal and administrative costs associated with using tolls.	The State financed US 36 with toll revenues (1952 to 1967). The E-470 Authority uses tolls as its primary tool to finance E-470. Local governments in Colorado have not attempted to apply this tool. Santa Cruz is considering implementing a High Occupancy Toll (HOT) lane on a portion of Highway 1.	– A local toll may meet political resistance. • There is State-enabling legislation allowing the creation of toll roads at the State level.	No revenue estimates have been prepared, as no roads have been proposed for a toll.
41. Advertising *(New charge)*	Businesses would pay a fee to place advertising on city-owned facilities such as transit station stops.		Revenues are generated privately and on a voluntary basis by vendors who want to advertise.	This would require a charter amendment. Boulder currently prohibits advertising.	The RTD generates revenues from advertising inside and outside of its buses. (It prohibits advertising on its light rail vehicles.)	+ Private sector vendors generate revenues. – May be considered visually unappealing.	As an illustration, the RTD generated about $3.4 million from advertising sold on buses (interior and exterior.)
42. Cost Effective Improvements	This tool would keep costs down by focusing on cost-effective ways to make capital improvements and perform on-going operations and maintenance.	This concept could be applied to all capital TMP Update capital improvements.	This relates to who pays the tax or fee used to make the improvements.	This would require administrative staff time to consider where and how to reduce costs.		+ This action can be implemented administratively.	In 2001, a one percent reduction in capital costs would have saved $95,400; a one percent reduction in operations and maintenance costs would have saved $159,200. (Transportation Fund & Transportation Development Fund)

REGULATORY TOOLS

43. Annexation Agreements *(Broader application of existing tool)*	Annexation agreements can state the types and timing of infrastructure improvements that are required as a condition for annexation.	Transportation projects which extend to or through currently undeveloped property and projects which are needed to serve new development not current existing deficiencies may be financed in part by placing the burden on property to be annexed. This tool is less applicable to the TMP update than others.	This tool clarifies the financial burden between the municipality and new development.	There is legal and planning staff time associated with negotiating individual annexation agreements. Upfront costs can be extensive (but perhaps worth the effort) if annexation is complex or of the municipality wants extensive exactions.	This tool is available to all Colorado municipalities. Some municipalities that have had or encouraged substantial annexations, such as Aurora and Castle Rock, have used this tool aggressively to control the financial burden on existing residents and businesses.	+ Annexation agreements can establish clear responsibilities for constructing specific transportation projects. These responsibilities can be met using districts, intergovernmental agreements between districts and the city, up-front construction, and binding requirements on future subdividers and builders.	This is not a direct revenue-generating tool; it is a cost-control tool that directs financial burden to new development and away from the municipality.
44. Zoning Ordinance and Subdivision Regulations *(Broader application of existing tool)*	These regulatory tools are typically used to assure on-site improvements are constructed in a timely manner and consistent with local government standards. They typically include requirements dedicate land and to build internal road, bicycle and pedestrian improvements, which are not part of the broader transportation master plan.	This tool is appropriate for projects triggered by new development. It can be used to require dedication of right-of-way, construction of portions of road, bicycle and pedestrian paths and participation in off-site transportation improvements.	The burden of using these regulatory tools to implement transportation improvements is clearly on new development.	Remarks in zoning and subdivision regulations can reference related requirements to pay the development excise tax, cost share in future specific improvements, participate in maintenance of public improvements and the creation of future districts.	This tool is available to all Colorado municipalities. Most use the tool to require on-site improvements.	+ A benefit of referencing transportation improvements in zoning and subdivision regulations is to tie the benefit of receiving permission to develop to subsequent requirements to participate financially.	This is not a direct revenue-generating tool; it is a cost-control tool that directs financial burden to new development and away from the municipality.
45. Adequate Public Facilities Ordinance (APFO) / Concurrency Requirements *(Existing tool)*	This regulatory tool insures the timely construction of infrastructure relative to development by requiring developers to cause needed improvement to be built. It is typically enforced at the rezoning stage of land development. This concept does not necessarily require developers to pay for improvements, but only that improvements be available when development occurs.	APFOs are appropriate for projects triggered by new development. The tool can be used to require the dedication of rights-of-way, construction of portions of bike and pedestrian paths and financial participation in off-site transportation improvements.	An AFPO might deter development without concurrent transportation improvements in place or planned for. It shifts the burden of responsibility away from the local government and towards the developer.	This tool works best at the countywide level. Otherwise, development will go to where APFOs are not in place, which may be the opposite of the intended effect. Adopting an APFO requires extensive technical, administrative and legal work to establish the ordinance and manage development through its requirements.	Douglas County has an APFO and detailed concurrency requirements.	– APFOs can cause unintended overbuilding where APFOs are not in place. + An APFO is a negotiating tool to secure unique negotiated agreements to help fund some transportation improvements. + AFPOs may prevent leapfrog development and pace development with infrastructure improvements. - This tool is less widely used than other regulatory tools and might be more difficult to pass.	This is not a direct revenue-generating tool; it is a cost-control tool that directs financial burden to new development and away from the municipality.

DISTRICTS, AUTHORITIES, UTILITIES AND INTERGOVERNMENTAL AGREEMENTS

46. Business Improvement District (BID) (' 31-25-1201+ C.R.S.) *(Application of tool)*	Cities may create BIDs to fund capital improvements or maintenance within a district. Unique attributes of BIDs are: (a) Only non-residential property owners pay for improvements; (b) The BID can fund maintenance programs.	The BID might be used to finance improvements within primarily non-residential portions of multi-modal corridors where there is a direct benefit to the abutting property owners.	The incidence is on non-residential properties within the district. Residential properties do not pay. Fees must be in sync with benefits received.	BIDs are established by petition. A benefit study is needed to develop fees or assessments that are based on benefits received. A BID is a governmental entity that may enter into intergovernmental agreements with others.	There are 18 BIDs in Colorado. This is a newer statutory tool than SIDs, GIDs, and Metro Districts. Downtown Boulder has a BID. Others in the County include Longmont Gateway BID and Main Street Louisville BID.	+ BIDs may enter into IGAs with other governments. + BIDs can fund on-going maintenance.	BIDs are self-financing tools. Fees and assessments are structured to generate sufficient revenues to pay for district programs and facilities.
47. Special Improvement District (SID) (' 31-25-503 C.R.S.) *(Broader application of existing tool)*	Cities may create special improvement districts (SIDs). The local government or property owners may initiate SIDs. There is a hearing, which states maximum costs per property owner. The district is formed by ordinance or resolution. These districts are only financing vehicles, they are not new governments and have no power to make contracts or levy taxes. The primary distinguishing feature of SIDs is that the formula for repaying district debt is most often some form of assessment, based on benefit. Typically, district debt is issued and payment is spread equally over 10 to 15 years.	These districts are most applicable for localized improvements where a substantial portion of the benefit is attributable to properties along the improvement. When SIDs are used for projects with larger benefit areas, often the local government shares in costs and/or finances segments of larger projects.	The incidence of payment is on properties included in the SID. Local governments sometimes participate to finance the through traffic share. Assessments must be in sync with benefits received.	SIDs can be established by petition from property owners or by resolution of the city. If established by resolution, more than 50% of the property owners affected can protest and halt the formation of a district. A benefit study is necessary to develop a cost sharing formula, based on benefit.	There are 52 SID's in Colorado. This tool is used widely in Colorado. Boulder uses SIDs to finance neighborhood-scale improvements, such as sidewalks. Denver uses SIDs for neighborhood alley improvements. Aurora has made extensive use of SIDs in financing new roads or road upgrades since the 1950s.	+ When the road requirement is built into an annexation agreement, an SID with payments spread over 10 years can be a more palatable way to finance a project than outright cash. + Fixed life which corresponds to financing specific improvements. • This is a financing tool only; SIDs are not governmental entities and may not enter into IGAs.	SIDs are self-financing tools. Assessments are structured to generate sufficient revenues to pay for district programs and facilities.

SUMMARY OF FINANCE TOOLS TO SUPPORT THE 2002 BOULDER TRANSPORTATION MASTER PLAN UPDATE

NAME	DESCRIPTION	APPLICABILITY TO 2002 TRANSPO. MASTER PLAN UPDATE	INCIDENCE & EQUITY CONSIDERATIONS	LEGAL & ADMINISTRATION CONSIDERATIONS	APPLIED ELSEWHERE	BENEFITS & LIMITATIONS	QUANTIFICATION
48. General Improvement District (GID) (' 31-25-604 CRS) *(Broader application of existing tool)* or **Public Improvement District** (' 30-20-505+ CRS)	All municipalities may create general improvement districts (GID). These districts may use property tax revenues to repay district costs. They may be initiated by a petition signed by a majority of electors owning property in the district. The local government adopts an ordinance or resolution creating the district. The governing body of the municipality or county where the GID is located is the ex officio governing body of the district.	GIDs may be useful in financing smaller transportation projects which benefit a defined area. GIDs may acquire, construct and install streets, parking facilities and drainage improvements.	The incidence of payment is on properties included within the GID. GIDs may impose property taxes and may also impose fees, rates, tools or charges. A distinguishing feature of GIDs is their authority to impose property taxes.	A GID may require less up front legal or administrative costs because a benefit study might not be needed. Since a GID is a government entity, it can sign an IGA with a city or county.	There are 35 GIDs in the State. The most extensive use of GIDs for transportation is in Boulder. CAGID (Central Area General Improvement District), UHGID (University Hills General Improvement District) and Forest Glen Transit Pass GID are examples.	+ GIDs may enter into an IGA with a city or county. + No benefit study is needed if only property taxes are to be used for repayment of district obligations. + These districts are not new governmental entities. However, GIDs may have an advisory board, such as CAGID and UHGID.	GIDs are self-financing tools. Taxes and fees are structured to generate sufficient revenues to pay for district programs and facilities
49. Metropolitan District (' 32-1-201 et al C.R.S.) *(Broader application of existing tool)*	Metropolitan districts are also called Title 32 districts or special districts. These are separate government entities, which have a separate board of directors. They may use property tax revenues, user fees or assessments to collect payment. Often district debt is issued. Metropolitan districts are formed by a petition among property owners within the proposed district. Typically, the land is vacant and the number of property owners is small. The first step is to draft a service plan that sets forth services to be provided and a finance plan. The city (or county) has authority to accept or reject the service plan or impose service plan requirements. Once the service plan is approved, the local government has no further control. Developers like metropolitan districts since they provide a source of long-term tax exempt financing.	This tool is most applicable to infrastructure improvements that are needed to serve new growth. Metropolitan districts might finance all or a substantial portion of transportation projects within their boundaries. A creative use of metro districts is to require them to finance their share of larger regional improvements through a binding inter-governmental agreement with the local government.	The incidence of payment is on properties within the district. Some forms of payment, such are property taxes, are imposed on vacant and improved land. Other forms of payment may be imposed only when construction occurs.	– Independent metropolitan districts can create governance problems for cities and counties, particularly if the district has financial problems and cannot deliver services to which they committed. • The local government has control or influence over metropolitan districts only prior to service plan approval. Careful review of this plan including possible requirements to sign an IGA can avoid the types of problems that have historically burdened cities and counties.	There are 383 Metropolitan Districts in Colorado. Metro districts were used extensively in Arapahoe, Douglas, Jefferson and resort mountain counties to finance internal infrastructure or new large developments. The tool is used more cautiously now as a few metropolitan districts went bankrupt. There are a few in Boulder County (CO Tech Center, Fairways, Superior, Superior/McCaslin).	+ With proper review of service plans and adoption of binding intergovernmental agreements, metro districts can be a useful in financing portions of transportation improvements. - District boards may subsequently reverse their decision to finance projects included in the service plan. + This type of district may extend into multiple jurisdictions.	Metropolitan Districts are self-financing tools. Taxes and fees are structured to generate sufficient revenues to pay for district programs and facilities
50. Transportation Utility ('31-21-101+ and '40-2-108 CRS) *(New entity)*	(Local Government Utility) Cities may create, franchise or license utilities ('31-21-101+). This statute was used by the City of Fort Collins for street maintenance. (PUC-Regulated Utility) Under the Public Utilities Commission, local governments must become a transportation utility whenever it provides service outside of its corporate boundaries ('40-2-108)	Boulder could create a transportation utility to manage any portion of its maintenance program (streets, bicycles, pedestrian paths, etc.) Boulder would be required to create a utility if it governs a mass transit service that extends outside of municipal borders.	Fees can be structured so that the user benefits. See discussion above on Transportation Utility Fees	Both types of utilities can be formed under current statutes. If a transit organization is formed and provides service outside of Boulder, it must become a PUC-registered utility. PUC regulates rates, schedule and service areas and imposes insurance requirements. PUC staff report that its level of administrative burden is low.	Fort Collins developed and implemented a Transportation Utility, was challenged and won in court, and then abandoned the utility in favor or a simpler transportation finance program. They are reconsidering the concept. Eugene is currently considering the creation of a transportation utility. Madison considered and dismissed the concept.	- The most stringent PUC requirement relates to insurance outside of municipal boundaries. - There are administrative costs in establishing a local government utility to replace current city functions	This is a self-financing tool
51. Transportation Management Association / Organization **Transportation Corporation**	These are private non-profit organizations that are established to implement specific public improvements, provide specific public services or convene multiple interest groups regarding a common objective.	These entities can be organized to develop a plan, deliver a service, raise funds, facilitate public/private partnering, receive and dispense funds. This tool may be applicable to complex, high profile or multi-jurisdictional projects.	Equity and incidence issues cannot be evaluated until the financial details of the corporation are in place.	In Colorado, transportation management associations have been established as private non-profit entities --- sometimes originated by a private party and sometimes by one or several local governments.	US 36 Transportation Mobility Organization is a TMA. In Denver, Transportation Solutions, a TMA, reimbursed RTD for operating the B-Line Shuttle Service. In Texas, transportation corporations are established to buy rights of way and assist in the planning and project design.	+ The strength of private non-profit transportation corporations is the ability to coordinate public and private sector activities in a cost-effective and streamlined manner.	Cost estimates have not been prepared. Public and private members typically fund organizations.
52. Intergovernmental Agreement (IGA) [29-1-201 CRS; Const., Article XIV, ' 18(2); 29-20 CRS (HB 1342)] *(Broader application of existing tool)*	Inter-governmental agreements (IGAs) may be between two or more governments authorized under Colorado statutes. They may be between cities and the county, between a city and a metropolitan district or between a county and a metropolitan district or between the City and the University of Colorado. They may provide any function authorized by all participating parties.	IGAs may be useful when funding improvements that traverse multiple jurisdictions, such as community transit service, regional bikeways and wider dissemination of the ECOPASS or to implement car-sharing programs such as "Zipcar" or "Flexcar." . A creative use of IGAs is between governments and metropolitan districts. Another use is for donation and transfer of land.	IGAs do not establish any new equity implications since they do not create any new forms of payment.	There are legal costs associated with drafting IGAs, but in-house legal counsel typically drafts these.	CAGID and UHGID share responsibilities with the City.	+ They can be instrumental in documenting the cost sharing arrangements among local governments. • IGAs do not create a new form of revenue to finance transportation improvements	IGAs do not generate revenue. They facilitate planning or service delivery across governmental boundary areas.
53. Rural Transportation Authority (' 43-4-601+ C.R.S.) *(New entity)*	Governments in any area outside of the RTD area may use this authority. It may provide highways, roads, bikeway, bridges, railroad or mass transit services. Directors must be elected officials. With permission from the local government and voters, the authority may impose a sales or use tax of 0.4% or less which is exempt from 29-2-108 CRS. Unique attributes of RTAs are the ability to impose a 0.4% sales tax and impose a motor vehicle registration fee. The RTA may also impose fees, tolls and charges and may issue revenue bonds.	This may be applicable for improvements that extend into Boulder County or for any major improvements for which the City wants to increase its sales tax.	The incidence is similar to the City or County sales tax.	$ A popular vote is necessary to impose the sales tax but not the fees, tolls and charges. • Using this authority in Boulder County requires a change in State Statutes.	There are two RTAs in the State: the Baptist Road Rural Transportation Authority in Colorado Springs and the Roaring Fork Transportation Authority in Garfield County.	– Using this authority in Boulder County would require a change in State Statutes. – A popular vote is required. + Can produce substantial and predictable revenues if a sales and use tax is imposed.	If imposed in 2001, a 0.4% sales tax in Boulder County would have raised $16.2 million. ($4,061,198,679 x .004)
54. Regional Service Authority ('32-7-101+ C.R.S.) *(New organization)*	The primary purpose of this authority is to provide services and facilities that transcend local government boundaries. Boundaries must include at least all of one county and may include other counties and may not be within the Denver metropolitan area. Services may include Apublic surface transportation@ and several other non-transportation services. This authority is unique in its ability to levy property taxes.	This authority would be appropriate for any large project, such as community transit service of ECO PASS, which benefits not only Boulder but Boulder County as well. If property taxes are used, the improvement should be to correct existing deficiencies.	The authority may impose property taxes, rates, fees, charges and special assessments and may issue revenue bonds..	• An organizational commission for authorities may be formed by resolution of the local governments or by petition. The commission proposes services and the maximum mill levy. There is a popular vote on formation and election of board of directors. • Using this authority in Boulder County requires a change in State Statutes.	There is one regional service authority in Colorado: the Ouray Regional Service Authority.	– Using this authority in Boulder County would require a change in State Statutes. – A popular vote is required.	This is a self-financing tool. New services and improvements would be financed with new taxes and fees.

SUMMARY OF FINANCE TOOLS TO SUPPORT THE 2002 BOULDER TRANSPORTATION MASTER PLAN UPDATE

NAME	DESCRIPTION	APPLICABILITY TO 2002 TRANSPO. MASTER PLAN UPDATE	INCIDENCE & EQUITY CONSIDERATIONS	LEGAL & ADMINISTRATION CONSIDERATIONS	APPLIED ELSEWHERE	BENEFITS & LIMITATIONS	QUANTIFICATION
PUBLIC / PRIVATE VENTURES							
55. City Contribution to Districts *(Broader application of existing tool)*	To finance the non-district share of transportation improvements, the City could pay for a portion of transportation improvements that will be financed by a district. When using this technique, cities typically pay for their share up-front, thereby reducing the amount of district debt.	This tool may be applicable for any improvements that would be partially funded by districts. The tool can enhance the use of districts by taking care of the costs associated with through trips.	This is a straightforward means of cost-sharing with property owners who also benefit from or cause the need for improvements.	There would be legal and administrative staff work if the City assists in the creation of a district.	This tool is used often. For example, cities typically bear administrative and technical costs to establish districts and engineer improvements. (Neighborhood-based improvements funded by SIDs in Boulder are an example.)_	+ This can be a streamlined way to finance some arterials that traverse developments.	This is not a new revenue source; it is a cost-sharing arrangement.
56. Joint Development *(Public/private partnership)*	Joint public / private sector development occurs when there is an opportunity for complementary uses of the same facility (such as land) or complementary mix of public and private uses, such as public uses on the ground level and private uses above. The joint development may involve a sale/leaseback of land, leasing air rights, common ownership, and fee simple ownership.	This tool may be applicable in the development of park and ride facilities and the development of bicycle and pedestrian paths and other improvements within multi-use corridors..	From the public sector's perspective, the intent of joint development is saving money and/or improving the quality or usability of the ultimate development. The transaction would not occur unless all parties benefit.	There would be legal costs to develop and negotiate a development agreement, which states the responsibilities of the public and private party.	The bus/shuttle transfer stations at either end of the 16th Street Mall in Denver are joint development projects.	– Relying on joint development as a revenue tool is unwise, given the uncertainty that it will occur when and as anticipated. + Joint development would only occur when there is a benefit to the public sector over the next best alternative.	
57. Sale/Leaseback *(Public/private partnership)*	This is a tool where one entity (public or private) purchases land or an improvement and leases it back to another entity (public or private). One application is where an authority, a private non-profit or for-profit organization purchases property and leases it back to the City. Another application is where the City purchases property and leases development rights back to a private-sector developer.	This tool would work best where there is a large or expensive parcel to be purchased or where the remainder of land that the city purchased has private market potential.	This transaction would not occur unless all parties benefit.	There would be legal and administrative costs to negotiate and execute a lease/purchase agreement.		+ The City could earn revenues from leasing excess land to a private party. + The City could save upfront costs associated with the purchase. This feature could be useful if it is desirable to avoid the issuance of debt.	This tool facilitates a project or improvement. The potential for revenue generation or cost savings depends on the example.
58. Lease/Purchase *(Public/private partnership)*	This tool is the converse of the sale/leaseback. It is a tool where land is leased with an option to purchase at some future date. It would enable the City to control and use land for a smaller initial outlay than an outright purchase.	This tool is useful if the need is urgent or there are other pressures to acquire key land and acquisition funds are limited or will become available in the future.	This transaction would not occur unless all parties benefit. This is a cost management technique.	There would be legal and administrative costs to negotiate and execute a lease/purchase agreement.		B If the land is question is clearly escalating in value, it may be challenging to negotiate a future purchase price. + The City could secure control over key parcels of land for less than the full purchase price.	This is a financing tool and maybe a cost-savings tool but not a revenue-generating tool.
59. Subsidies & Incentives	There are a wide variety of potential subsidies and incentives that can be offered by the City to encourage construction or development activity that it desires.	This concept may apply to bikeways, road crossings, easements, pedestrian improvements, landscaped treatments, drainage improvements, etc.	Incidence and equity issues will depend on the specific subsidy or incentive intended. In every case, the policy maker will need to weigh the value of the desired (private-sector) improvement against the pubic-sector incentive or subsidy offered.	This requires legal and administrative costs to negotiate agreements or to draft ordinances that facilitate incentives.	Municipalities use subsidies and incentives extensively. An example is tax increment financing, where a blighted area receives a share back of property and sales tax in return for desirable real estate development.	+ The City may provide an in-kind incentive (such as a density bonus) in return for construction of desired improvements, thereby saving money.	This could be a cost-savings tool if development constructs desired public improvements or builds tax revenue generating real estate.
NONPROFIT VENTURES							
60. Private Non-Profit Foundation *(Broader application of existing tool)*	Private non-profit foundations are organizations dedicated to any non-profit purpose. Some foundations are also charitable trusts that can accept tax-advantaged contributions from private sources. Under Colorado lay, a local government may establish a supporting foundation to solicit and receive gifts and grants from individuals, corporations, other private foundations and the federal government. Foundation contributions may be exempt from federal income tax. Foundations may qualify to receive funds under federal programs available only to 501(c)(3) organizations.	Relative to transportation projects, there may be foundations dedicated to improving air quality, enhancing use of alternative modes, financing or maintaining bicycle and pedestrian improvements, making or maintaining landscaped improvements. or contributing to pilot project, or implementing other high image or high visibility projects	Financing private non-profit foundations is voluntary. There are no equity burdens imposed by using foundations as a financing vehicle.	While there are legal costs associated with the creation of private-non-profit foundations, these costs are not the burden of local governments. Applying for a grant from an existing foundation with transportation, air quality or environmental objectives is relatively straightforward but requires staff resources.	Boulder already has a Park and Recreation Foundation. Other Colorado based foundations that have contributed to park and open space projects include: El Pomar Foundation, Gates Family Foundation, and Recreation Equipment, Inc. (REI) Foundation.	– It may be time consuming to establish a new foundation. – Success is unpredictable. + This may be a very popular way for corporations and affluent individuals to contribute locally.	This is a cost-savings, not a revenue-generating tool.
61. Homeowners Associations (HOA) *(Broader application of existing tool)*	These organizations are created to maintain the physical condition of commonly owned property and indirectly maintain or enhance the value of their individual properties.	HOAs may be willing to maintain landscaping, bikeways or pedestrian improvements that traverse or abut their development.	This would be a voluntary activity.	There may be some administrative and/or legal costs associated with establishing agreements and monitoring success.	HOAs are common. However, the use of HOAs to maintain transportation improvements is more rare.	B Quality control could be difficult to impose. + HOAs may be more committed to maintaining bikeway, pedestrian and landscaped improvements than any other organization.	This is a cost-savings, not a revenue-generating tool.
62. Civic Associations *(Broader application of existing tool)*	The public purpose of some civic organizations can include maintenance of public spaces.	Civic association may be willing to maintain landscaped entry treatments or other visible features that boost civic pride.	This would be a voluntary activity.	Legal costs should be relatively minimal. There are administrative costs associated with establishing standards and monitor the quality of the service.	Civic associations maintain portions of state highways.	B Quality control could be difficult to impose. + There are civic pride benefits and well as cost savings.	This is a cost-savings, not a revenue-generating tool.
63. 63-20 Corporations *(New tool)*	This is a non-profit corporation formed under a state's general non-profit corporation law that meets the following requirements of IRS Revenue Ruling 63-20. (a) Engaged in activities that are essentially public; (b) Income does not inure to the benefit of any private person; (c) State or political subdivision has a beneficial interest in the corporation and obtains title to bond-financed property, and; (d) State or political subdivision has approved the corporation and bonds to be issued, if any.	This could be used to make transportation improvements, which are needed to serve nearby property, which will be developed. A 63-20 corporation could issue tax-exempt bonds to install transportation improvements. Bonds would be repaid from the revenues generated by the sale of private property adjacent to the project.	No additional taxes or fees are incurred. Revenues to pay for the improvements are generated by the sale of land that (presumably) benefits from the improvements.	Extensive legal and administrative work would probably be necessary.	This tool has not been used in Colorado to our knowledge	B Since this is tool has not been tested in Colorado to our knowledge; there are likely a number of currently unknown issues that will materialize. + This tool ties the sale of developing land directly to the construction of needed improvements.	This is a self-financing tool.

SUMMARY OF FINANCE TOOLS TO SUPPORT THE 2002 BOULDER TRANSPORTATION MASTER PLAN UPDATE

Name	Description	Applicability to 2002 Transpo. Master Plan Update	Incidence & Equity Considerations	Legal & Administration Considerations	Applied Elsewhere	Benefits & Limitations	Quantification
64. Neighborhood Investment (EcoPass)	The RTD sells EcoPasses to individuals, neighborhoods, businesses and organizations. The fee amount is based on the number of recipients and their location relative to the availability of RTD service. For the last 10 years, Boulder has assisted neighborhoods purchase EcoPasses by providing technical support, covering hard costs (printing and mailing) and subsidizing the annual purchase of EcoPasses.	The existing activity is directly consistent with the Boulder TMP objectives regarding mode choice	In year 1 of a neighborhood program, the neighborhood (residents) pay for 50% of the EcoPass and the City pays for 50%; in subsequent years, the neighborhood generally pays for 65% and the City pays for 50%. In a few cases, there is RTD financial participation.	RTD sells EcoPasses directly to neighborhoods. City staff provides technical assistance, particularly in year 1. In addition, there is an annual City cost, as the City generally pays for 35% to 50% of the annual EcoPass purchase. One neighborhood, Forest Glen, collects its share through a general improvement district. In the 15 other neighborhoods, resident volunteers collect the resident share annually.	The neighborhood EcoPass program is used in one other neighborhood in the RTD service area, a community in Lafayette.	+ Encourages usage of bus service in lieu of driving and parking. + Builds neighborhood cohesion.	In 2001, neighborhood EcoPass purchases in 16 neighborhoods totaled $158,368. Neighborhoods paid for 63%; the City of Boulder paid for 29% and the RTD paid for 8%. The average cost is $60 per household per year; the range is generally from $40 and $120 per household depending on the level of available RTD service.

DEVELOPERS AND PROPERTY OWNERS

Name	Description	Applicability to 2002 Transpo. Master Plan Update	Incidence & Equity Considerations	Legal & Administration Considerations	Applied Elsewhere	Benefits & Limitations	Quantification
65. Construction of Improvements: Developers: Share of collectors and arterials	In addition to constructing interior local streets, developers could be required to construct their share of adjacent collectors and arterials. Developer might: - build their fair share of improvements, or; - oversize the improvements and be reimbursed when adjacent development occurs, or; - participate through payment of the development excise tax (discussed above)	This tool is appropriate for improvements that are attributable to new growth. This tool may be particularly appropriate for missing segments of arterials or collectors.	A practice of requiring developers to oversize and be reimbursed transfers the financial burden of construction to new development, not the city.	There are legal and administrative costs associated with monitoring an over-sizing and reimbursement program.	Many municipalities use this tool to finance portions of collectors and arterials.	+ If developers are required to build needed improvements and be reimbursed by adjacent development or the development excise tax fund, then Boulder is relived from bearing these up-front costs.	This is a cost savings tool from the municipal perspective since it transfers financing burden to new development.
66. Construction of Improvements: Cost Participation Agreements	This tool would require developers to sign an agreement to participate in their fair share of specific future improvements, such as freeway interchanges.	This tool may incorporate extraordinary improvements that are excluded from the improvements financed by the development excise tax.	The burden would be placed on new development. The cost-participation formula could be matched specifically to a fair-share formula, based on trips generated.	There are legal and administrative costs associated with establishing, negotiating and monitoring cost participation agreements.	Castle Rock has made extensive use of cost participation agreements to fund major transportation projects.	+ This tool would enable Boulder to show financial capacity to match state and federal funding for major improvements.	This is a cost savings tool from the municipal perspective since it transfers financing burden to new development.
67. Right-of-Way Dedication *(Continued application of existing tool)*	Developers and property owners of vacant or under-improved land would be required to dedicate sufficient right-of-way for the eventual construction of road, bicycle and pedestrian improvements. In some instances, after improvements are constructed, additional right-of-way could be sold or leased for development.	This tool is applicable to construction of road extensions. In some instances, the tool may be appropriate for infill road improvements.	The incidence is on the property owner dedicating the land. While the road improvement may carry more traffic than the local development would require, the dedication is for the system wide functioning of road, bicycle and pedestrian improvements.	It is a relatively standard practice to seek right-of-way dedication of one-half of the needed right-of-way for roadways that abut properties.	This is standard practice in most municipalities.	− In infill situations, where a road should be widened, there are challenges regarding setbacks and uneven curb and lane lines. + Right-of-way is dedicated prior to new development and the roadway design is incorporated into the development.	This is a cost savings tool from the municipal perspective since it transfers financing burden to new development.
68. Voluntary Easements and Land Dedication *(Broader application of existing tool)*	Property owners would either dedicate land or provide an easement for a transportation improvement, which traversed their property.	This tool is applicable for any project where land is currently owned privately.	Since this would be voluntary, there are no significant equity implications. To encourage voluntary dedication or easements, a local government might offer land use or density bonuses.	There are legal costs associated with accepting a transfer of land or an easement and accepting liability thereafter.	Voluntary easements for open space and trails have been used.	+ There are no direct costs other than assuming responsibility to maintain the property and/or relieve the current owner of liability.	This is a cost savings tool from the municipal perspective since it transfers financing burden to new development.
69. Construct Tax-Generating Development *(New tool)*	This practice encourages the real estate development that generates property and/or sales tax. Substantial property tax generators include lodging, manufacturers and buildings for tenants with substantial personal property, such as banks. Substantial sales tax generators include lodging and regional retailers.	Within multi-modal corridors, it may be desirable to concentrate traffic-generating and tax-paying uses such as retail and lodging.	This is not a new financial resource; it is an increased application of existing financial tools.	This may require some additional marketing work to attract tax-generating development. Legal and administrative procedures are in place.	Nearly all municipalities in Colorado engage in the process of attempting to attract tax-generating businesses.	- There are intricate relationships between jobs, population and related air quality and transportation that are being explored by the City.	As an illustration, a 5,000 square foot restaurant with taxable sales of $350 per square would annually generate $10,500 for the Transportation Fund and $49,175 for other City funds. [(5,000 x $350 x .0341) = $59,675, total sales tax]
70. Business Investment –EcoPasses *(Continued application of existing tool)*	The RTD sells EcoPasses to businesses. The fee amount is based on the number of employees and the business location relative to the availability of RTD service.	The activity is directly consistent with the Boulder TMP objectives regarding mode choice.	The financial burden is directly on businesses that purchase EcoPasses for their employees and the City which subsidizes 50% of the purchase in year 1 and 25% of the purchase in year 2.	RTD sells EcoPasses directly to interested businesses. The City of Boulder. provides limited staff support but does participate financially for the first two years of the business' purchase of EcoPasses.	EcoPasses are available throughout the RTD service area. A number of other transit agencies such as those located in Berkeley, Eugene, and Madison also sell monthly or annual passes.	+ Encourages usage of bus service in lieu of driving and parking.	In 2001, 126 employers (businesses) located in the City of Boulder purchased EcoPasses for their 15,993 employees from the RTD for $699,000. *(This excludes the CU faculty and staff EcoPass.)*
71. University of Colorado – EcoPasses *(Continued application of existing tool)*	Since 1991, the RTD has been selling "University Passes" to CU for its approximately 26,000 students. This program was initially established with help from GO Boulder. For $27 per semester, students receive a pass that provides unlimited access to RTD service. Since 1998, the RTD has been selling its EcoPass to CU for its faculty and staff (6,250). The City subsidized this program for its first 4 years. CU pays for the EcoPass from several funds: parking (30%), general fund (49%), and auxiliary department revenues (21%).	The activity is directly consistent with the Boulder TMP objectives regarding mode choice.	The financial burden for the "University Pass" is on students as part of their student fees ($27 per semester). The financial burden for the staff and faculty EcoPass in on the University. Employees do not pay for their EcoPass.	RTD sells EcoPasses directly to the University without City involvement. Between 1998 and 2001, the City did subsidize the purchase of EcoPasses for CU faculty and staff.	EcoPasses or their equivalent are sold to a number of universities, such as Brigham Young (Provo), UC Berkeley (Berkeley), University of Oregon (Eugene), and Colorado State University (Fort Collins).	+ Encourages usage of bus service in lieu of driving and parking.	In 2001, the RTD sold student passes to University of Colorado for $1,007,244 and sold EcoPasses to the University for staff and faculty for $298,000. The University reports that its 2002 contract for EcoPasses is $321,000. The EcoPass for staff and faculty is similar to the pass sold to businesses. (See above.)